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HOWARD HANSON  
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HUB LAW OFFICES

1 Ford Greene  
California State Bar No. 107601  
2 HUB LAW OFFICES  
711 Sir Francis Drake Boulevard  
3 San Anselmo, California 94960-1949  
Telephone: (415) 258-0360

4 Attorney for Defendant  
5 GERALD ARMSTRONG and  
6 THE GERALD ARMSTRONG CORPORATION

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF MARIN

10 CHURCH OF SCIENTOLOGY INTERNATIONAL, )  
11 a California not-for-profit )  
12 religious corporation, )

13 Plaintiff, )

14 vs. )

15 GERALD ARMSTRONG; MICHAEL WALTON; )  
16 THE GERALD ARMSTRONG CORPORATION, )  
17 a California for-profit )  
18 corporation; DOES 1 through 100, )  
19 inclusive, )

20 Defendants. )

No. 157 680

REPLY  
DECLARATION OF FORD GREENE  
IN SUPPORT OF MOTION FOR  
STAY PENDING COORDINATION  
PROCEEDINGS

Date: November 12, 1993  
Time: 9:00 a.m.  
Dept: One  
Trial Date: None Set

FORD GREENE declares:

1. I am an attorney licensed to practice law in the Courts  
of the State of California and am the attorney of record for  
GERALD ARMSTRONG, and THE GERALD ARMSTRONG CORPORATION, defendants  
herein.

2. I am also the attorney of record for said defendants in  
Church of Scientology International v. Armstrong, L.A.S.C. No. BC  
052 395 ("Armstrong II") and in the appeal of a preliminary  
injunction in that case for which notice was filed on July 30,

COPY



1 1992, in Second District Court of Appeal, case No. B 069 450.  
2 Additionally, I am the attorney of record for defendants in  
3 Church of Scientology International v. Armstrong, Los Angeles  
4 County Superior Court, Case No. BC 084 642 ("Armstrong III"),

5 3. Attached hereto and incorporated herein are true and  
6 correct copies of documents the authenticity of which I know  
7 because I am the attorney of record in the litigation in which  
8 they were filed. Said documents are designated as follows:

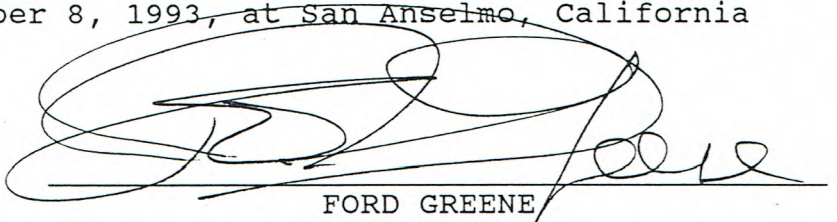
9 Exhibit A: Excerpts from Deposition of Gerald Armstrong  
10 in Armstrong II taken July 22, 1992;

11 Exhibit B: Excerpts from Deposition of Michael Walton in  
12 Armstrong II taken February 23, 1993;

13 Exhibit C: Declaration of Gerald Armstrong executed June  
14 4, 1993, in Church of Scientology  
15 International v. Wollersheim Los Angeles  
16 Superior Court Case No. BC 074 815.

17 Under penalty of perjury pursuant to the laws of the State of  
18 California I hereby declare that the foregoing is true and correct  
19 according to my first-hand knowledge, except those matters stated  
20 to be on information and belief, and as to those matters, I  
21 believe them to be true.

22 Executed on November 8, 1993, at San Anselmo, California

23   
24 FORD GREENE



PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: REPLY DECLARATION OF FORD GREENE IN SUPPORT OF MOTION FOR STAY PENDING COORDINATION PROCEEDINGS on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire PERSONAL  
WILSON, RYAN & CAMPILONGO  
235 Montgomery Street, Suite 450  
San Francisco, California 94104

Laurie J. Bartilson, Esq. MAIL  
Bowles & Moxon  
6255 Sunset Boulevard, Suite 2000  
Los Angeles, California 90028

Paul Morantz, Esq. MAIL  
P.O. Box 511  
Pacific Palisades, CA 90272

Michael Walton PERSONAL  
707 Fawn Drive  
San Anselmo, CA 94960

[X] (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.

[X] (Personal) I caused said papers to be personally service on the office of opposing counsel.

[X] (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: November 9, 1993

\_\_\_\_\_







IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

--oOo--

COPY

CHURCH OF SCIENTOLOGY INTERNATIONAL,  
a California not-for-profit religious  
corporation,

Plaintiff,

vs.

No. BC 052395

GERALD ARMSTRONG; DOES 1 through 25,  
inclusve,

Defendants.

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DEPOSITION OF

GERALD ARMSTRONG

Wednesday, July 22, 1992

Volume II, Pages 179 - 293

REPORTED BY: KATHERINE NG, CSR NO. 6350

1 president, if any?

2 A. I'm the senior baker.

3 Q. That's B-A-K-E-R?

4 A. Right. I'm the senior vice president for  
5 contests and awards. There are a number of, I hold a  
6 number of titles, positions in the corporation. Do you  
7 want me to go through them?

8 Q. Sure.

9 A. Okay.

10 A. I'm just trying to recall the exact wording of  
11 them.

12 Q. How about this, why don't you just tell me,  
13 tell me the business of the Gerald Armstrong Corporation  
14 is.

15 A. The Gerald Armstrong Corporation possesses a  
16 number of Gerald Armstrong's artistic and literary works,  
17 possesses rights to a number of his inventions and rights  
18 to certain formulas, and is in the business of bringing  
19 peace and exploiting its assets for commercial and  
20 peaceful purposes.

21 Q. Okay. What does it do to exploit its assets  
22 for commercial purposes? Make anything, sell anything?

23 A. It sells things and it makes things.

24 Q. What does it make?

25 A. It makes sculptures, cards, works of art,



1 literary works campaigns.

2 Q. What campaigns does it make?

3 A. It is a contributor and possessor of certain  
4 rights within the group known as the Runners against  
5 Trash and the same within the organization known as the  
6 Organization of United Renounciants.

7 Q. What is the Organization of the United  
8 Renounciants?

9 A. It is an organization dedicated to the  
10 preservation of the world through peaceful means.

11 Q. What have the people in the organization  
12 renounced, if anything?

13 A. The people in the organization renounce money.

14 Q. Does that mean that they give away their money?

15 A. They can if they want.

16 Q. Did you give away the money that the Church  
17 paid you in settlement?

18 A. Well, I'm, that's not a very well worded  
19 question, because I gave away all my assets including all  
20 my money.

21 Q. When?

22 A. When? August 1990.

23 Q. Who did you give it to?

24 A. A number of people.

25 Q. Can you tell me who they are?

1 A. No.

2 Q. Did you give any of it to Michael Walton?

3 A. Yes.

4 Q. Why did you give it away?

5 A. Because I considered that I was guided to do  
6 so.

7 Q. By whom?

8 A. The source of all that is.

9 Q. Who is that?

10 A. God.

11 Q. Now, when God guided you to give away all your  
12 assets, did he guide you to give them to particular  
13 people or did you make that decision?

14 A. I believe that I was guided each step of the  
15 way.

16 Q. Okay. When you say you gave it away, I take it  
17 you didn't receive anything in return in terms of  
18 monetary compensation?

19 A. Right.

20 Q. Can you tell me why you decided to give some of  
21 it to Michael Walton?

22 A. Because it was logical.

23 Q. Why?

24 A. And because it was so guided.

25 Q. Can you tell me what about it was logical?



1           A.    I guess initially it's logical because he was a  
2 friend of mine in close proximity to me, and I believed  
3 that he had a need at that time.

4           Q.    Okay.  What did you give him?

5           A.    I decline to comment to answer that.  I don't  
6 see how it fits into this, other than the fact that I  
7 gave everything away.

8           Q.    I won't press that at this point, but it will  
9 be relevant.

10          Q.    What did you have in August of 1990 that you  
11 gave away?

12          A.    Cash, property, stock, rights and debts owed to  
13 me.

14          Q.    Okay.  Let's start with the cash.  How much  
15 cash did you give away?

16          A.    I don't think that that's appropriate for me to  
17 get into.  I decline to answer.

18          Q.    Well, I'll tell you why it's relevant.  And if  
19 it isn't, it can be made relevant by the complaint.

20 Under the Fraudulent Conveyance Act, fraudulent  
21 conveyances are defined in a number of ways, including  
22 transfers without considerations, which these are by  
23 virtue of Mr. Armstrong's testimony.

24          A.    By which you mean therefore every donation made  
25 by every Scientologist is of necessity a fraudulent



1 conveyance? Are you certain that every donation made by  
2 anyone to charity is a fraudulent conveyance? I think  
3 that you --

4 Q. I'm just explaining the relevance of the  
5 question to you. You testified that you gave away your  
6 assets, that you received no monetary consideration for  
7 them. I believe that qualifies as a fraudulent  
8 conveyance under the California Code. I cannot recall  
9 whether it's either 4139 or 4169. I can get it. One is  
10 transfer without consideration of a creditor as defined  
11 for anyone with a claim, which would include the Church  
12 of Scientologist in this case.

13 There is no claim of fraudulent conveyance in  
14 the complaint now. It will be amended so you can answer  
15 the question now, or you can answer them later. It's  
16 your choice. As of this instance, there is no fraudulent  
17 conveyance claim because I just learned of it; there will  
18 be one. So if your lawyer objects on the ground of  
19 relevance, technically he's correct now, but he won't be  
20 in the future. So you can answer now or you can answer  
21 later.

22 A. Now, you answer me. Scientology complains of  
23 things which apparently they claimed occurred from June  
24 1991 forward not only that, but they sued me in 1992. A  
25 year and a half following any conveyance. You tell me.







IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES

--oOo--

CHURCH OF SCIENTOLOGY )  
INTERNATIONAL, a California )  
not-for-profit religious )  
corporation, )  
 )  
Plaintiff, )  
 )  
vs. )  
 )  
GERALD ARMSTRONG; and )  
DOES 1 through 25, inclusive, )  
 )  
Defendants. )  
----- )

ORIGINAL

Case No. BC 052395

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DEPOSITION OF MICHAEL WALTON

Pages 1 - 61

Taken before CHRIS DE GEORGE  
California CSR License No. 7069

February 24, 1993

--oOo--



1 my lawyer files and I don't know if they belong --  
2 some of them, I'm sure, belong to Gerald Armstrong.

3 Q. Let's exclude those.

4 A. No.

5 Q. So excluding attorney-client files, you  
6 hold no property for or on behalf of Gerald  
7 Armstrong.

8 A. No.

9 Q. And he's never transferred any property  
10 to you.

11 A. Yes, he has.

12 Q. What has he transferred to you?

13 A. He transferred his interest in Fawn  
14 Drive to me.

15 Q. And what consideration did you pay him  
16 for that?

17 A. None.

18 Q. It was a gift?

19 A. Yes.

20 Q. And when did that occur?

21 A. I think it was around the time of the  
22 Desert Storm. I don't -- I really don't -- I'm not  
23 quite sure. I can tell you it was -- it was  
24 approximately a year before the -- No, I can't tell  
25 you that either. I'm not really sure.



1 Q. Do you know why he transferred it to  
2 you?

3 A. I know what he told me.

4 Q. What did he tell you?

5 A. I'm trying to remember it. Let me think  
6 about it and see if I can remember under what  
7 circumstances.

8 I don't believe this has any relation to  
9 any representation. Jerry told me that he'd had a  
10 vision from God.

11 Q. That's it?

12 A. That's the reason. That's when he  
13 divested of all property that I know of.

14 Q. Where is Jerry living now, do you know?

15 A. No, I don't. I think he's living on Sir  
16 Francis Drake. 711, I think.

17 Q. That's one of the -- that's either  
18 adjacent to or the office where Ford Greene has his  
19 practice?

20 A. That's my understanding although I've  
21 never been there.

22 Q. Other than Fawn Drive, did Mr. Armstrong  
23 give you any other property at that time?

24 A. Yes.

25 Q. What else?



1           A.     A dining room table and I think a  
2 ladder.

3           Q.     Let's forget about the dining room table  
4 and the ladder. That's it, just the dining room  
5 table, the ladder and the house; is that right?

6           A.     Yes.

7           Q.     No cash?

8           A.     No, there was a cash fund that was set  
9 up to run the house for a year and that -- my name  
10 was already on that although it was my understanding  
11 that it was -- it was to be transferred and still to  
12 be used for the house if I wanted it.

13          Q.     You and Mr. Armstrong became involved in  
14 a partnership that owned 711 Fawn Drive, is that  
15 right? I got the address wrong. Let's just call it  
16 Fawn Drive.

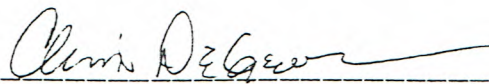
17          A.     Well, at this point you know I have to  
18 -- I made a judgment to -- At some point this  
19 invades my right of privacy, personal privacy. I'm  
20 not sure what my -- my dealings with Mr. Armstrong  
21 have to do with this litigation. When I asked  
22 Ms. Bartilson, she said there was some concern that  
23 he had fraudulently transferred property and I'm not  
24 sure how that -- I didn't -- I haven't read the  
25 pleadings but I haven't seen any allegations of

STATE OF CALIFORNIA )  
)

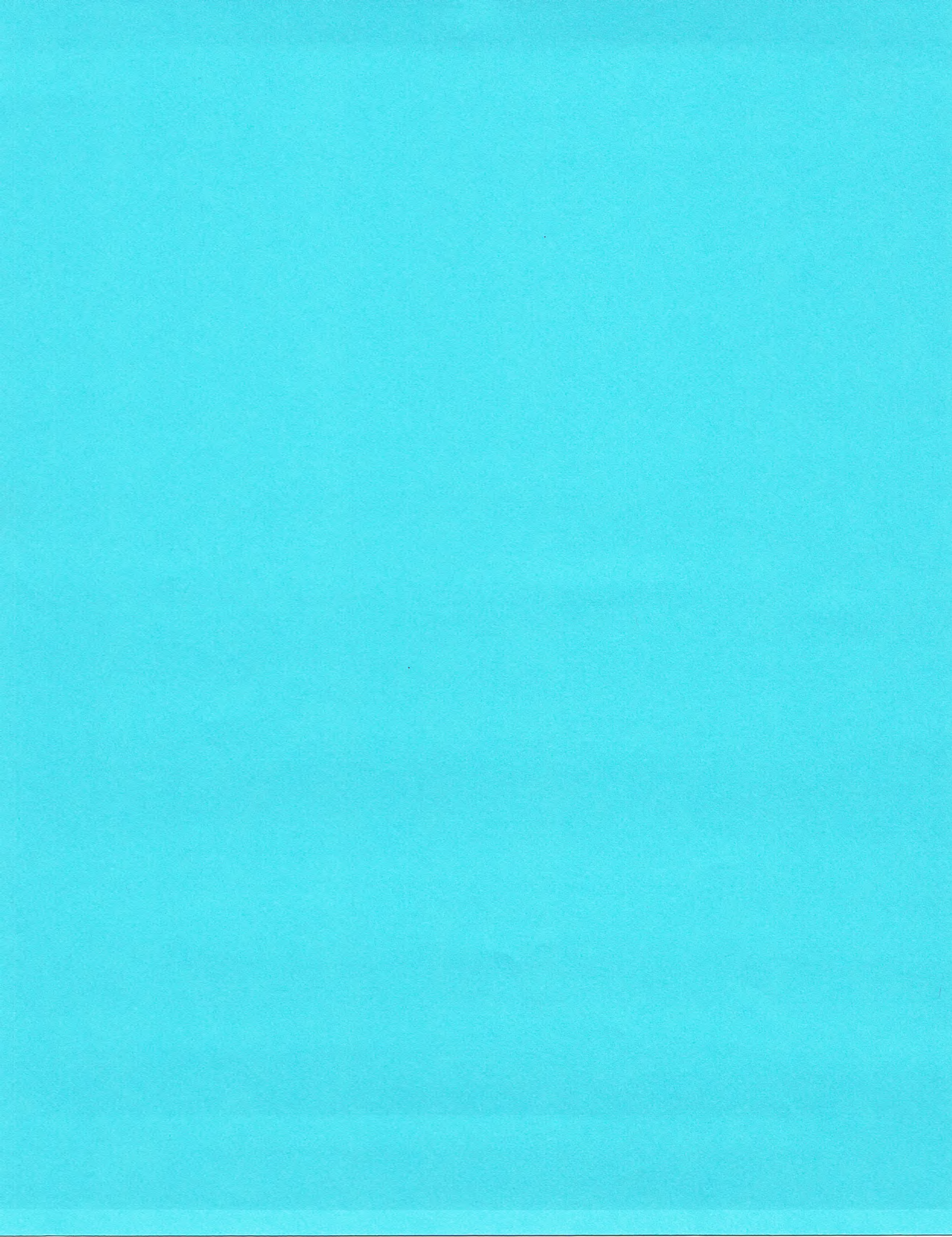
1  
2 I, the undersigned, a Certified Shorthand  
3 Reporter of the State of California, hereby certify  
4 that the witness in the foregoing deposition was by  
5 me duly sworn to testify to the truth, the whole  
6 truth, and nothing but the truth in the within-  
7 entitled cause; that said deposition was taken at  
8 the time and place therein stated; that the  
9 testimony of said witness was reported by me, a  
10 Certified Shorthand Reporter and a disinterested  
11 person, and was thereafter transcribed under my  
12 direction into typewriting; that the foregoing  
13 is a full, complete and true record of said  
14 testimony; and that the witness was given an  
15 opportunity to read and, if necessary, correct said  
16 deposition and to subscribe the same.

17 I further certify that I am not of counsel or  
18 attorney for either or any of the parties in the  
19 foregoing deposition and caption named, nor in any  
20 way interested in the outcome of the case names in  
21 said action.

22 IN WITNESS WHEREOF, I have hereunder set my  
23 hand and affixed my signature this 1st day of March,  
24 1993.

25   
CHRIS DEGEORGE, CSR #7069







DECLARATION OF GERALD ARMSTRONG

1  
2 I, Gerald Armstrong, having personal knowledge of the  
3 following, hereby declare and state:

4 1. I became involved with Scientology as a customer in  
5 1969 in Vancouver, British Columbia. I worked on staff there  
6 in 1970 and in February 1971 joined the Sea Organization (SO or  
7 Sea Org) in Los Angeles. I was flown to Spain and joined the  
8 Sea Org's flag ship, "Apollo," in Morocco. L. Ron Hubbard, the  
9 Sea Org's "Commodore," was on board and operated Scientology  
10 internationally through the "crew" which numbered, during my  
11 stay on board of four and a half years, around four hundred.  
12 All my staff positions on board involved personal contact with  
13 L. Ron Hubbard, Mary Sue Hubbard, administrative organization  
14 staff and people in the ports and countries the "Apollo"  
15 visited, and included "Ship's Representative" (legal  
16 representative), "Port Captain" (public relations officer), and  
17 "Information Officer" (intelligence officer).

18 2. In the fall of 1975 after the ship operation moved  
19 ashore in Florida I was posted in the Guardian's Office (GO)  
20 Intelligence Bureau connected to Hubbard's Personal Office.  
21 From December 1975 through June 1976 I held the post of Deputy  
22 LRH External Communications Aide, a relay terminal for  
23 Hubbard's written and telex traffic to and from Scientology  
24 organizations. From July 1976 to December 1977 I was assigned,  
25 on Hubbard's order, to the "Rehabilitation Project Force"  
26 (RPF), the SO prison system. In 1978 I worked in Hubbard's  
27 cinematography crew in La Quinta, California, making movies  
28 under his direction until the fall of that year when he again



1 assigned me to the RPF, this time for eight months first in La  
2 Quinta, then at a newly purchased base in Gilman Hot Springs  
3 near Hemet, California. When I got out of the RPF in the  
4 Spring of 1979 and until the beginning of 1980, I worked in  
5 Hubbard's "Household Unit" (HU) at Gilman, the SO unit which  
6 took care of Hubbard's house, personal effects, transport,  
7 meals and so forth, as the "Purchaser," "Renovations In-Charge"  
8 and "Deputy Commanding Officer HU."

9       3. Throughout 1980 and until I left the organization in  
10 December 1981 I held the organization posts in Hubbard's  
11 "Personal Public Relations Bureau" of "LRH Archivist" and "LRH  
12 Personal Researcher." I assembled in Los Angeles an archive of  
13 Hubbard's writings and other materials relating to his history  
14 to be used as, inter alia, the basis for a biography to be  
15 written about the man. I also worked in Los Angeles for the  
16 first few months of 1980 on Mission Corporate Category Sortout  
17 (MCCS), which had the purpose of restructuring the Scientology  
18 enterprise so that Hubbard could continue to control it without  
19 being liable for its actions. Beginning in the fall of 1980  
20 and continuing until my departure, I provided the biographical  
21 writings and other materials, as I collected and organized  
22 them, to Omar Garrison, who had contracted with the  
23 organization to write the Hubbard biography. I interviewed  
24 many people who had known Mr. Hubbard at periods throughout his  
25 life, including almost all of his known living relatives. I  
26 traveled several thousand miles collecting biographical  
27 information and conducting a genealogy search, and arranged the  
28 purchase of a number of collections of Hubbard-related



1 documents and other materials from individual collectors.

2 4. As a result of the activities described above, I have  
3 become very familiar with Scientology policies, practices, and  
4 policy documents. I also know that the Church of Scientology  
5 of California, as part of the Scientology organization, has  
6 followed and implemented these policies and practices,  
7 including those described below.

8 5. Attached to this declaration as Exhibit A is a true  
9 copy of a portion of volume II of The Technical Bulletins of  
10 Dianetics and Scientology, by L. Ron Hubbard, the founder of  
11 Scientology. It includes (at page 157) the following  
12 description of Scientology's practice of using litigation to  
13 harass its opponents:

14 The purpose of the suit is to harass and discourage rather  
15 than to win. [¶] The law can be used very easily to  
16 harass, and enough harassment on somebody who is simply on  
17 the thin edge anyway...will generally be sufficient to  
18 cause his professional decease. If possible, of course,  
19 ruin him utterly.

20 6. Attached to this declaration as Exhibit B is a true  
21 copy of an internal Scientology document, Guardian Order 166,  
22 dated October 7, 1971. This document was written by the then  
23 Guardian, Jane Kember, at that time the most senior Scientology  
24 official under L. Ron Hubbard and his wife, Mary Sue Hubbard.  
25 GO 166 was included in the Intelligence Course Pack which I  
26 studied while I was the Intelligence Officer on Scientology's  
27 ship the "Apollo" in the 1970's. This document includes the  
28 following explanation that Scientology legal strategy in the  
29 U.S. is to use litigation as a financial club:

30 The button used in effecting settlement is purely  
31 financial. In other words, it is more costly to continue  
32 the legal action than to settle in some fashion. ... [¶]



1 Therefore, it is imperative that legal US Dev-T his  
2 opponents and their lawyers with correspondence (a  
3 lawyer's letter costs approx \$50), phone calls (time  
4 costs), interrogatories, depositions and whatever else  
legal can mock up. [¶] One of the bright spots of US  
legal is that even if you lose you don't pay your opponent  
for his lawyers fees.

5 The phrase "Dev-T" is a term which Scientology uses to mean to  
6 cause someone to do unnecessary work.

7 7. Since leaving the Scientology organization, I have  
8 monitored the conduct of the organization, including the Church  
9 of Scientology of California. I am familiar with, and have  
10 been a target and victim of the "fair game" doctrine, which was  
11 described by the California Court of Appeal decisions in Church  
12 of Scientology v. Armstrong, Allard v. Church of Scientology,  
13 and Wollersheim v. Church of Scientology. Although Scientology  
14 claims that the "fair game" doctrine has been abandoned, I know  
15 from personal experience that this is not true, at least as  
16 recently as this year. For instance, Scientology attempted in  
17 the first few months of 1993 to have me jailed for contempt of  
18 court based on the false declaration of a Scientologist lawyer,  
19 Laurie Bartilson, for acts which Scientology itself set up.  
20 This is only the most recent of over a decade of "dirty tricks"  
21 which Scientology personnel have directed at me.

22 8. From my personal experience, I know that Scientology  
23 does use the litigation approach described by Hubbard and  
24 Kember in the quotes above. In various cases, Scientology has  
25 subjected me to over 35 days of depositions. As a paralegal  
26 working on cases involving Scientology for 16 months for Boston  
27 attorney Michael Flynn and for almost two years for California  
28 attorney Ford Greene (to the present), I have observed




1 Scientology's litigation practices. Scientology regularly  
2 attempts to bludgeon the opposition into submission with a  
3 blizzard of meritless paper, motions, depositions, appeals,  
4 writs, Bar complaints, criminal complaints, perjured testimony,  
5 and other improper and abusive tactics.

6 9. I am also aware that Scientology uses an attack  
7 strategy against judges who rule against it, which includes  
8 claims of bias and prejudice and frequently personal attacks.  
9 For instance, in my case, Church of Scientology of California  
10 v. Armstrong, L.A. Superior Court No. C 420153, Scientology  
11 twice tried unsuccessfully to disqualify Judge Breckenridge  
12 from the case because of alleged bias, and levied personal  
13 attacks on him, accusing him publicly of Nazi affiliation.  
14 Similarly, in Aznaran v. Church of Scientology of California,  
15 U.S.D.C. C.D.Cal # CV-88-1786-JMI, Scientology unsuccessfully  
16 attempted to recuse Judge James Ideman because of alleged bias.

17 10. Attached to this declaration as Exhibit C is a true  
18 copy of the June 20, 1984 decision by Judge Paul G.  
19 Breckenridge, Jr., in the case of Church of Scientology of  
20 California v. Gerald Armstrong, L.A. Superior Court No. C  
21 420153, which was affirmed on appeal at 232 Cal.App.3d. 1060,  
22 283 Cal.Rptr. 917 (1991).

23 I declare, under penalty of perjury, that the foregoing is  
24 true and correct.

25 Executed this 4th day of June, 1993, at Oakland,  
26 California.

27   
28 Gerald Armstrong